

CSR Report of YOKOHAMA TIRE MANUFACTURING (THAILAND) CO., LTD.

Business activities: Production and sale of tires for trucks and buses, light trucks and passenger cars

Total site area: 418,029 m² (plant), 1,690,000 m² (testing facility)

Number of employees: 1,493 (as of March 2010)

Location: 7/216 Moo 6 Amata City Industrial Estate, Tambol Mapyangporn, Amphur Pluakdang, Rayong Province 21140, THAILAND

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President's Message



Yasuhiro Mizumoto

Yokohama Tire Manufacturing (Thailand) is located in the Amata City Industrial Estate in Rayong province, some 120 kilometers southeast of the capital Bangkok. Our site is larger than any other plant in the Yokohama Rubber Group and features a small-scale integrated production plant. Production of TBS (truck and bus) tires and PC/LT (passenger car and light truck) tires has been steadily increasing in line with market demand. We adopted a new mixing process that is an important factor in tire quality, whereby we efficiently produce high-quality compounds. We are also boosting production of environmental tire models with the eventual aim of becoming

the largest overseas tire production facility in the Yokohama Rubber Group. Our employees have become increasingly conscious of environmental activities since the Company acquired ISO14001 certification in July 2007. In December 2009 we achieved the Zero Emissions target of less than 1% of waste output sent to landfill. Our aim in FY2010 is to reduce this to zero, and to this end we are ramping up our waste sorting and recycling programs.

At the same time, we are boosting our efforts to reduce energy consumption and associated greenhouse gas emissions in consultation with

the Ministry of Energy in Thailand. As part of a campaign to promote awareness of energy issues throughout the Company, February is designated Energy Saving Month, as in Japan, with all employees involved in programs to eliminate all forms of wastage and loss and help us develop more environmentally responsible production systems.

In terms of contributions to local communities, the Company has provided assistance for environmental education programs at local elementary schools, collected aluminium and paper drink containers for recycling and donated used tires for wave protectors at a Thai navy port facility. Under the YOKOHAMA Forever Forest project, launched in 2008, employees and their families have worked together with local residents to plant a total 12,000 seedlings. Thailand provides the ideal environment for tree growth, and already the forest is starting to take shape. Another 8,000 seedlings will be planted this year in conjunction with International Biodiversity Day. Yokohama Tire Manufacturing (Thailand) remains committed to the ongoing operation of our environmental management system along with compliance and risk management programs. In addition, we continue to pursue the latest equipment and facilities while striving to maximize the skills and competencies of local Thai employees. Our environmental programs are predicated on creating a top-level environmentally responsible enterprise in line with the GD100 medium-term management plan of the Yokohama Rubber Group.

Environmental Initiatives

Environmental Policy in FY 2010

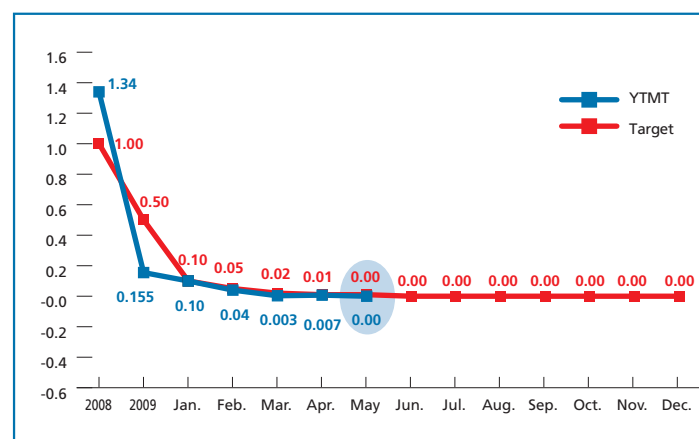
- (1) Address all environmental concern in all its business activities.
- (2) Establish and strengthen the environmental management system, implementing preventive measures against pollution (Air pollution, Water pollution, and Waste) through continuous improvement, applying the best technologically and economically feasible solutions.
- (3) Set and carry out waste control targets through energy and materials savings, waste reduction and recycling and conduct annual environmental program assessment.
- (4) Comply with and abide by all applicable legal requirements and government directives and other environmental regulations.
- (5) Provide company-wide environmental information, education, and training programs to all employees for their good understanding and necessary action with this policy.
- (6) Aim to coexist with local community contributing to the environmental welfare of the public.
- (7) This policy shall be made available to the public.

Environmental data (Fiscal Year: From January through December)

Item	FY2007	FY2008	FY2009
Waste emissions (t)	1,791	1,579	1,794
Proportion sent to landfill (%)	—	1.3	0.2
Energy use (oil equivalent: 1,000 kl)	Electric power	15.8	17.6
	Fuel	5.2	6.0
	Total	21.0	23.6
Greenhouse gas emissions (1,000 t-CO ₂)	44.6	50.1	53.7
Water use (1,000 m ³)	391	516	586
Waste organic solvent output (t)	—	31	17.5

* Greenhouse gas emissions in FY2008 and FY2009 were calculated based on the Calculation and Reporting Manual for Greenhouse Gas Emissions jointly published by Japan's Ministry of the Environment and the Ministry of Economy, Trade and Industry (METI).

Proportion of waste sent to landfill



Reducing waste output

The Zero Emissions target was maintained throughout FY2009. In FY2010, we plan to go one step further by totally eliminating landfill waste altogether.

Environmental Initiatives

Recycling programs

Our main resource recycling programs are as follows.

1. Waste collection and sorting by department and section
2. 100% recovery of silica gel

3. Collection and sorting of belt scraps
4. Recovery of depurator from boiler water supply
5. Containment of powder additives
6. Recovery of carbon scraps, soapstone, GIP, oil and buff powder

Safety Initiatives

Occupational health and safety

Some 150 safety measures were implemented on the basis of equipment risk assessment procedures involving evaluation, modification and re-evaluation.

Basic Health and Safety Principles

Health and safety represents the fundamental basis of Company operations. All employees must work together under the leadership of administrators and supervisors to prevent workplace accidents and create a safe and pleasant working environment.

Health and Safety Policy

- (1) Our equipment and machines and our workplaces shall be designed to prevent injury.
- (2) Administrator and supervisors shall take responsibility for ensuring the safety of their personnel, and shall not overlook any unsafe situations or practices.
- (3) All workers shall adhere to the rules of the workplace and practice safe work procedures.
- (4) We will strive to ensure the safety of employees in accordance with the Industrial Safety and Health Law and other applicable laws and regulations as well as internal company standards and regulations.
- (5) We will promote the 2 S's in line with the principle that a clean and orderly work area is the basis of health and safety.
- (6) We will strive to create a pleasant and comforting workplace environment designed to minimize employee fatigue and stress.
- (7) We will encourage good communication predicated on factory managers speaking directly with operators.
- (8) We will boost awareness of health and safety issues through initiatives such as health and safety training, and we will encourage our trading partners to demonstrate their commitment to this Policy.

Working with Local Communities

Community feedback and the Company's response

Our efforts to reduce odors emanating from the Plant were successful, with the number of complaints falling from eight in 2008 to one in 2009. We will continue to implement improvements and modifications to the satisfaction of the local community.

Improvements and modifications are carried out in accordance with the YRC Environmental Regulations and Environmental Communications Standard (RP-S-08).

Details

- (1) Monitoring of odors in the vicinity of the Plant
- (2) Analysis of equipment exhaust emissions
- (3) Modifications to equipment and production methods
- (4) Presentation sessions for local residents

We are committed to meeting regularly with members of the local community in accordance with the Basic Policy on Social and Environmental Contribution Programs.

Building local parks

Together with local residents from the Mavyanpong area, Yokohama Tire Manufacturing (Thailand) built a 200 m² public park complete with play equipment. In November 2009 the park was recognized with a Community Support award from the district of Ab Sap.



Donation to temple

In October 2009, contributions from employees were donated towards construction of the main hall at the Mab Yang Pon Temple.



Environmental Education program

Yokohama Tire Manufacturing (Thailand) was involved in a government environmental education campaign, assisting with publication of a regular educational newsletter for elementary schools. In January 2009, the Company took part in Children's Day activities and presented scholarship donations to local schoolchildren.



Recycling scrap aluminium

In June 2009, Yokohama Tire Manufacturing (Thailand) donated 167 kg of aluminium scrap to a local foundation for producing wheelchairs and prosthetic limbs. The Company also donated funds for the annual celebration of the Red Cross in Rayong province, and for Roykaton festivals held at local temples.



Recycling paper packaging

In May 2009, the Company donated 40.9 kg of paper scrap collected from drink packs to local schools for use in making desks and stationery materials.



The first Phase II planting at an overseas production facility took place on 12 August, 2009. The event attracted around 1,100 participants including Akira Miyawaki, Yokohama National University professor and eminent scholar in ecological botany; his professional associate in Thailand, professor Shirin Georaiyad, doctoral graduate of Yokohama National University currently in the employ of the Thai Imperial Household, together with his wife; local residents; students from nearby elementary schools; employees of Yokohama Tire Manufacturing (Thailand) and their families; and employees of other companies operating in the same Amata City Industrial Estate. Nearly 5,000 seedlings including 26 different varieties were planted on the day.

Employee perspective: Wora-anong DOUNGRATOKE

After seeing local people covered in mud and yet enjoying the activity of planting trees, I decided I wanted to participate too. It's just a small initiative by one company, but if similar activities were to spread around the world I believe we could improve the environment.

